

House Bill 1211 (AS PASSED HOUSE AND SENATE)

By: Representatives Royal of the 171st, Roberts of the 154th, Keen of the 179th, Porter of the 143rd, Cole of the 125th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 48 of the Official Code of Georgia Annotated, relating to revenue and
2 taxation, so as to provide for the special assessment of forest land conservation use property;
3 to provide for a short title; to change certain definitions regarding ad valorem taxation; to
4 provide for valuation tables; to provide for procedures, conditions, and limitations; to provide
5 for powers, duties, and authority of county tax commissioners and the state revenue
6 commissioner with respect to the foregoing; to provide for local government assistance
7 grants; to provide for related matters; to provide for a contingent effective date and
8 applicability; to provide for automatic repeal under certain circumstances; to repeal
9 conflicting laws; and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is
13 amended in Code Section 48-5-2, relating to definitions regarding ad valorem taxation of
14 property, by adding new paragraphs to read as follows:

15 "(5) 'Forest land conservation value' of forest land conservation use property means the
16 amount determined in accordance with the specifications and criteria provided for in
17 Code Section 48-5-271 and Article VII, Section I, Paragraph III(f) of the Constitution.

18 (6) 'Forest land fair market value' means the 2008 fair market value of the forest land.
19 Such 2008 valuation may increase from one taxable year to the next by a rate equal to the
20 percentage change in the price index for gross output of state and local government from
21 the prior year to the current year as defined by the National Income and Product Accounts
22 and determined by the United States Bureau of Economic Analysis and indicated by the
23 Price Index for Government Consumption Expenditures and General Government Gross
24 Output (Table 3.10.4)."

SECTION 2.

Said title is further amended by adding a new Code section to read as follows:

"48-5-7.7.

(a) This Code section shall be known and may be cited as the 'Georgia Forest Land Protection Act of 2008.'

(b) As used in this Code section, the term:

(1) 'Forest land conservation use property' means forest land each tract of which consists of more than 200 acres of tangible real property of an owner subject to the following qualifications:

(A) Such property must be owned by an individual or individuals or by any entity registered to do business in this state;

(B) Such property excludes the entire value of any residence located on the property;

(C) Such property has as its primary use the good faith subsistence or commercial production of trees, timber, or other wood and wood fiber products from or on the land.

Such property may, in addition, have one or more of the following secondary uses:

(i) The promotion, preservation, or management of wildlife habitat;

(ii) Carbon sequestration in accordance with the Georgia Carbon Sequestration Registry;

(iii) Mitigation and conservation banking that results in restoration or conservation of wetlands and other natural resources; or

(iv) The production and maintenance of ecosystem products and services such as, but not limited to, clean air and water.

'Forest land conservation use property' may include, but not be limited to, land that has been certified as environmentally sensitive property by the Department of Natural Resources or which is managed in accordance with a recognized sustainable forestry certification program such as the Sustainable Forestry Initiative, Forest Stewardship Council, American Tree Farm Program, or an equivalent sustainable forestry certification program approved by the Georgia Forestry Commission.

(2) 'Qualified owner' means any individual or individuals or any entity registered to do business in this state.

(3) 'Qualified property' means forest land conservation use property as defined in this subsection.

(4) 'Qualifying purpose' means a use that meets the qualifications of subparagraph (C) of paragraph (1) of this subsection.

(c) The following additional rules shall apply to the qualification of forest land conservation use property for conservation use assessment:

1 (1) All contiguous forest land conservation use property of an owner within a county for
2 which forest land conservation use assessment is sought under this Code section shall be
3 in a single covenant;

4 (2) When one-half or more of the area of a single tract of real property is used for the
5 qualifying purpose, then the entirety of such tract shall be considered as used for such
6 qualifying purpose unless some other type of business is being operated on the portion
7 of the tract that is not being used for a qualifying purpose; provided, however, that such
8 other portion must be minimally managed so that it does not contribute significantly to
9 erosion or other environmental or conservation problems or must be used for one or more
10 secondary purposes specified in subparagraph (b)(1)(2) of this Code section. The lease
11 of hunting rights or the use of the property for hunting purposes shall not constitute
12 another type of business. The charging of admission for use of the property for fishing
13 purposes shall not constitute another type of business. The production of pine straw shall
14 not constitute another type of business; and

15 (3) No otherwise qualified forest land conservation use property shall be denied
16 conservation use assessment on the grounds that no soil map is available for the county
17 in which such property is located; provided, however, that if no soil map is available for
18 the county in which such property is located, the board of tax assessors shall use the
19 current soil classification applicable to such property.

20 (d) No property shall qualify for conservation use assessment under this Code section
21 unless and until the qualified owner of such property agrees by covenant with the
22 appropriate taxing authority to maintain the eligible property in forest land conservation
23 use for a period of 15 years beginning on the first day of January of the year in which such
24 property qualifies for such conservation use assessment and ending on the last day of
25 December of the final year of the covenant period. After the qualified owner has applied
26 for and has been allowed conservation use assessment provided for in this Code section,
27 it shall not be necessary to make application thereafter for any year in which the covenant
28 period is in effect and conservation use assessment shall continue to be allowed such
29 qualified owner as specified in this Code section. At least 60 days prior to the expiration
30 date of the covenant, the county board of tax assessors shall send by first-class mail written
31 notification of such impending expiration. Upon the expiration of any covenant period, the
32 property shall not qualify for further conservation use assessment under this Code section
33 unless and until the qualified owner of the property has entered into a renewal covenant for
34 an additional period of 15 years; provided, however, that the qualified owner may enter
35 into a renewal contract in the fourteenth year of a covenant period so that the contract is
36 continued without a lapse for an additional 15 years.

(e) Subject to the limitations of paragraph (1) of subsection (c) of this Code section, a qualified owner shall be authorized to enter into more than one covenant under this Code section for forest land conservation use property. Any such qualified property may include a tract or tracts of land which are located in more than one county in which event the owner shall enter into a covenant with each county.

(f) A qualified owner shall not be authorized to make application for and receive conservation use assessment under this Code section for any property which at the time of such application is receiving preferential assessment under Code Section 48-5-7.1 or current use assessment under Code Section 48-7-7.4; provided, however, that if any property is subject to a covenant under either of those Code sections, it may be changed from such covenant and placed under a covenant under this Code section if it is otherwise qualified. Any such change shall terminate the existing covenant and shall not constitute a breach thereof. No property may be changed more than once under this subsection.

(g) Except as otherwise provided in this subsection, no property shall maintain its eligibility for conservation use assessment under this Code section unless a valid covenant remains in effect and unless the property is continuously devoted to forest land conservation use during the entire period of the covenant.

(h) If any breach of a covenant occurs, the existing covenant shall be terminated and all qualification requirements must be met again before the property shall be eligible for conservation use assessment under this Code section.

(i) If ownership of all or a part of the forest land conservation use property is acquired during a covenant period by another owner qualified to enter into an original forest land conservation use covenant, then the original covenant may be continued only by both such acquiring owner and the transferor for the remainder of the term, in which event no breach of the covenant shall be deemed to have occurred even if the total size of a tract from which the transfer was made is reduced below 200 acres. If a breach of the covenant occurs following such transfer by either such acquiring owner or the transferor, the penalty and interest shall apply to the entire tract which was the subject of the original covenant and shall be paid by either the acquiring owner or the transferor, whichever of whom breached the covenant. Following the expiration of such covenant, no new covenant shall be entered with respect to the tract from which the transfer was made unless such tract exceeds 200 acres.

(j)(1) All applications for conservation use assessment under this Code section, including the covenant agreement required under this Code section, shall be filed on or before the last day for filing ad valorem tax returns in the county for the tax year for which such conservation use assessment is sought, except that in the case of property which is the subject of a reassessment by the board of tax assessors an application for conservation use

1 assessment may be filed in conjunction with or in lieu of an appeal of the reassessment.

2 An application for continuation of such conservation use assessment upon a change in
3 ownership of all or a part of the qualified property shall be filed on or before the last date
4 for filing tax returns in the year following the year in which the change in ownership
5 occurred. Applications for conservation use assessment under this Code section shall be
6 filed with the county board of tax assessors who shall approve or deny the application.

7 The county board of tax assessors shall file a copy of the approved application in the
8 office of the clerk of the superior court in the county in which the eligible property is
9 located. The clerk of the superior court shall file and index such application in the real
10 property records maintained in the clerk's office. If the application is not so recorded in
11 the real property records, a transferee of the property affected shall not be bound by the
12 covenant or subject to any penalty for its breach. The fee of the clerk of the superior
13 court for recording such applications shall be paid by the qualified owner of the eligible
14 property with the application for conservation use assessment under this Code section and
15 shall be paid to the clerk by the board of tax assessors when the application is filed with
16 the clerk. If the application is denied, the board of tax assessors shall notify the applicant
17 in the same manner that notices of assessment are given pursuant to Code Section
18 48-5-306 and shall return any filing fees advanced by the owner. Appeals from the denial
19 of an application by the board of tax assessors shall be made in the same manner that
20 other property tax appeals are made pursuant to Code Section 48-5-311.

21 (2) In the event such application is approved, the qualified owner shall continue to
22 receive annual notification of any change in the forest land fair market value of such
23 property and any appeals with respect to such valuation shall be made in the same manner
24 as other property tax appeals are made pursuant to Code Section 48-5-311.

25 (k) The commissioner shall by regulation provide uniform application and covenant forms
26 to be used in making application for conservation use assessment under this Code section.

27 (l) In the case of an alleged breach of the covenant, the qualified owner shall be notified
28 in writing by the board of tax assessors. The qualified owner shall have a period of 30 days
29 from the date of such notice to cease and desist the activity alleged in the notice to be in
30 breach of the covenant or to remediate or correct the condition or conditions alleged in the
31 notice to be in breach of the covenant. Following a physical inspection of property, the
32 board of tax assessors shall notify the qualified owner that such activity or activities have
33 or have not properly ceased or that the condition or conditions have or have not been
34 remediated or corrected. The qualified owner shall be entitled to appeal the decision of the
35 board of tax assessors and file an appeal disputing the findings of the board of tax
36 assessors. Such appeal shall be conducted in the same manner that other property tax
37 appeals are made pursuant to Code Section 48-5-311.

1 (m)(1) A penalty shall be imposed under this subsection if during the period of the
2 covenant entered into by a qualified owner the covenant is breached.

3 (2) The penalty shall be applicable to the entire tract which is the subject of the covenant
4 and:

5 (A) If breached during years one through five, shall for each covenant year beginning
6 with year one be three times the difference between the total amount of tax paid
7 pursuant to conservation use assessment under this Code section and the total amount
8 of taxes which would otherwise have been due under this chapter for each completed
9 or partially completed year of the covenant period;

10 (B) If breached during years six through ten, shall for each covenant year beginning
11 with year one be 2.5 times the difference between the total amount of tax paid pursuant
12 to conservation use assessment under this Code section and the total amount of taxes
13 which would otherwise have been due under this chapter for each year or partially
14 completed year of the covenant period; and

15 (C) If breached during years 11 through 15, shall for each covenant year beginning
16 with year one be twice the difference between the total amount of tax paid pursuant to
17 conservation use assessment under this Code section and the total amount of taxes
18 which would otherwise have been due under this chapter for each completed year or
19 partially completed year of the covenant period.

20 (3) Any such penalty shall bear interest at the rate specified in Code Section 48-2-40
21 from the date the covenant is breached.

22 (n) In any case of a breach of the covenant where a penalty under subsection (m) of this
23 Code section is imposed, an amount equal to the amount of reimbursement to each county,
24 municipality, and board of education in each year of the covenant shall be collected under
25 subsection (o) of this Code section and paid over to the commissioner who shall deposit
26 such amount in the general fund.

27 (o) Penalties and interest imposed under this Code section shall constitute a lien against
28 the property and shall be collected in the same manner as unpaid ad valorem taxes are
29 collected. Except as provided in subsection (n) of this Code section, such penalties and
30 interest shall be distributed pro rata to each taxing jurisdiction wherein conservation use
31 assessment under this Code section has been granted based upon the total amount by which
32 such conservation use assessment has reduced taxes for each such taxing jurisdiction on
33 the property in question as provided in this Code section.

34 (p) The penalty imposed by subsection (m) of this Code section shall not apply in any case
35 where a covenant is breached solely as a result of:

36 (1) The acquisition of part or all of the property under the power of eminent domain;

(2) The sale of part or all of the property to a public or private entity which would have had the authority to acquire the property under the power of eminent domain; or

(3) The death of an individual qualified owner who was a party to the covenant.

(q) The following shall not constitute a breach of a covenant:

(1) Mineral exploration of the property subject to the covenant or the leasing of the property subject to the covenant for purposes of mineral exploration if the primary use of the property continues to be the good faith production from or on the land of timber;

(2) Allowing all or part of the property subject to the covenant to lie fallow or idle for purposes of any forestry conservation program, for purposes of any federal agricultural assistance program, or for other agricultural management purposes;

(3) Allowing all or part of the property subject to the covenant to lie fallow or idle due to economic or financial hardship if the qualified owner notifies the board of tax assessors on or before the last day for filing a tax return in the county where the land lying fallow or idle is located and if such qualified owner does not allow the land to lie fallow or idle for more than two years of any five-year period;

(4)(A) Any property which is subject to a covenant for forest land conservation use being transferred to a place of religious worship or burial or an institution of purely public charity if such place or institution is qualified to receive the exemption from ad valorem taxation provided for under subsection (a) of Code Section 48-5-41. No qualified owner shall be entitled to transfer more than 25 acres of such person's property in the aggregate under this paragraph.

(B) Any property transferred under subparagraph (A) of this paragraph shall not be used by the transferee for any purpose other than for a purpose which would entitle such property to the applicable exemption from ad valorem taxation provided for under subsection (a) of Code Section 48-5-41 or subsequently transferred until the expiration of the term of the covenant period. Any such use or transfer shall constitute a breach of the covenant; or

(5) Leasing a portion of the property subject to the covenant, but in no event more than six acres of every unit of 2,000 acres, for the purpose of placing thereon a cellular telephone transmission tower. Any such portion of such property shall cease to be subject to the covenant as of the date of execution of such lease and shall be subject to ad valorem taxation at fair market value.

(r) In the following cases, the penalty specified by subsection (m) of this Code section shall not apply and the penalty imposed shall be the amount by which conservation use assessment has reduced taxes otherwise due for the year in which the covenant is breached, such penalty to bear interest at the rate specified in Code Section 48-2-40 from the date of the breach:

1 (1) Any case in which a covenant is breached solely as a result of the foreclosure of a
2 deed to secure debt or the property is conveyed to the lienholder without compensation
3 and in lieu of foreclosure, if:

4 (A) The deed to secure debt was executed as a part of a bona fide commercial loan
5 transaction in which the grantor of the deed to secure debt received consideration equal
6 in value to the principal amount of the debt secured by the deed to secure debt;

7 (B) The loan was made by a person or financial institution who or which is regularly
8 engaged in the business of making loans; and

9 (C) The deed to secure debt was intended by the parties as security for the loan and
10 was not intended for the purpose of carrying out a transfer which would otherwise be
11 subject to the penalty specified by subsection (m) of this Code section;

12 (2) Any case in which a covenant is breached solely as a result of a medically
13 demonstrable illness or disability which renders the qualified owner of the real property
14 physically unable to continue the property in the qualifying use, provided that the board
15 of tax assessors shall require satisfactory evidence which clearly demonstrates that the
16 breach is the result of a medically demonstrable illness or disability;

17 (3) Any case in which a covenant is breached solely as a result of a qualified owner
18 electing to discontinue the property in its qualifying use, provided such qualified owner
19 has renewed without an intervening lapse at least once the covenant for land conservation
20 use, has reached the age of 65 or older, and has kept the property in the qualifying use
21 under the renewal covenant for at least three years. Such election shall be in writing and
22 shall not become effective until filed with the county board of tax assessors; or

23 (4) Any case in which a covenant is breached solely as a result of a qualified owner
24 electing to discontinue the property in its qualifying use, provided such qualified owner
25 entered into the covenant for forest land conservation use for the first time after reaching
26 the age of 67 and has either owned the property for at least 15 years or inherited the
27 property and has kept the property in the qualifying use under the covenant for at least
28 three years. Such election shall be in writing and shall not become effective until filed
29 with the county board of tax assessors.

30 (s) Property which is subject to forest land conservation use assessment under this Code
31 section shall be separately classified from all other property on the tax digest; and such
32 separate classification shall be such as will enable any person examining the tax digest to
33 ascertain readily that the property is subject to conservation use assessment under this Code
34 section. Covenants shall be public records and shall be indexed and maintained in such
35 manner as will allow members of the public to locate readily the covenant affecting any
36 particular property subject to conservation use assessment under this Code section. Based

on information submitted by the county boards of tax assessors, the commissioner shall maintain a central registry of conservation use property, indexed by qualified owners.

(t) The commissioner shall annually submit a report to the Governor, the Department of Agriculture, the Georgia Agricultural Statistical Service, the Georgia Forestry Commission, the Department of Natural Resources, and the University of Georgia Cooperative Extension Service and the House Ways and Means, Natural Resources and Environment, and Agriculture and Consumer Affairs committees and the Senate Finance, Natural Resources and Environment, and Agriculture and Consumer Affairs committees and shall make such report available to other members of the General Assembly, which report shall show the fiscal impact of the assessments provided for in this Code section. The report shall include the amount of assessed value eliminated from each county's digest as a result of such assessments; approximate tax dollar losses, by county, to all local governments affected by such assessments; and any recommendations regarding state and local administration of this Code section, with emphasis upon enforcement problems, if any, attendant with this Code section. The report shall also include any other data or facts which the commissioner deems relevant.

(u) A public notice containing a brief, factual summary of the provisions of this Code section shall be posted in a prominent location readily viewable by the public in the office of the board of tax assessors and in the office of the tax commissioner of each county in this state.

(v) At such time as the property ceases to be eligible for forest land conservation use assessment or when any 15 year covenant period expires and the property does not qualify for further forest land conservation use assessment, the qualified owner of the property shall file an application for release of forest land conservation use treatment with the county board of tax assessors who shall approve the release upon verification that all taxes and penalties with respect to the property have been satisfied. After the application for release has been approved by the board of tax assessors, the board shall file the release in the office of the clerk of the superior court in the county in which the original covenant was filed. The clerk of the superior court shall file and index such release in the real property records maintained in the clerk's office. No fee shall be paid to the clerk of the superior court for recording such release. The commissioner shall by regulation provide uniform release forms.

(w) The commissioner shall have the power to make and publish reasonable rules and regulations for the implementation and enforcement of this Code section. Without limiting the commissioner's authority with respect to any other such matters, the commissioner may prescribe soil maps and other appropriate sources of information for documenting eligibility as a forest land conservation use property. The commissioner also may provide

that advance notice be given to a qualified owner of the intent of a board of tax assessors to deem a change in use as a breach of a covenant."

SECTION 3.

Said title is further amended by adding a new Code section to read as follows:

"48-5-271.

(a) The commissioner shall promulgate and county tax officials shall follow uniform rules and regulations establishing a table of values for the conservation use value of forest land conservation use property. Such values shall be the same as provided for forest land values under Code Section 48-5-269.

(b) In no event may the forest land conservation use value of any forest land conservation use property in the table of values established by the commissioner under this Code section for the taxable year beginning January 1, 2010, or any subsequent taxable year increase or decrease by more than 3 percent from its forest land conservation use value as set forth in the table of values established by the commissioner under this Code section. The limitations imposed by this subsection shall apply to the total value of all the forest land conservation use property that is the subject of an individual covenant."

SECTION 4.

Said title is further amended by adding a new chapter to read as follows:

"CHAPTER 5A

48-5A-1.

As used in this chapter, the term:

(1) 'Applicable rollback' means a:

(A) Rollback of an ad valorem tax millage rate pursuant to subsection (a) of Code Section 48-8-91 in a county or municipality that levies a local option sales tax;

(B) Rollback of an ad valorem tax millage rate pursuant to subparagraph (c)(2)(C) of Code Section 48-8-104 in a county or municipality that levies a homestead option sales tax;

(C) Subtraction from an ad valorem millage rate pursuant to Code Section 20-2-334 in a local school system that receives a state school tax credit;

(D) Reduction of an ad valorem tax millage rate pursuant to the development of a service delivery strategy under Code Section 36-70-24; and

(E) Reduction of an ad valorem tax millage rate pursuant to paragraph (2) of subsection (a) of Code Section 33-8-8.3 in a county that collects insurance premium tax.

(2) 'County millage rate' means the net ad valorem tax millage rate, after deducting applicable rollbacks, levied by a county for county purposes and applying to forest land conservation use properties in the county, including any millage levied for those special districts reported on the 2004 ad valorem tax digest certified to and received by the state revenue commissioner on or before December 31, 2004, but not including any millage levied for purposes of bonded indebtedness and not including any millage levied on behalf of a county school district for educational purposes.

(3) 'Fiscal authority' means the individual authorized to collect ad valorem taxes for a county or municipality which levies ad valorem taxes.

(4) 'Forest land conservation use property' means a forest land conservation use property qualified for special assessment and taxation under Code Section 48-5-7.7 and Article VII, Section I, Paragraph III(f) of the Constitution.

(5) 'Forest land conservation use value' means the same as such term is defined in paragraph (5) of Code Section 48-5-2 and shall not include the value of standing timber on such property.

(6) 'Forest land fair market value' means the same as such term is defined in paragraph (6) of Code Section 48-5-2.

(7) 'Municipal millage rate' means the net ad valorem tax millage rate, after deducting applicable rollbacks, levied by a municipality for municipal purposes and applying to forest land conservation use properties in the municipality, including any millage levied for those special tax districts reported on the 2004 City and Independent School Millage Rate Certification certified to and received by the state revenue commissioner on or before December 31, 2004, but not including any millage levied for purposes of bonded indebtedness and not including any millage levied on behalf of an independent school district for educational purposes.

(8) 'School millage rate' means the net ad valorem tax millage rate, after deducting applicable rollbacks, levied on behalf of a county or independent school district for educational purposes and applying to forest land conservation use properties in the county or independent school district, not including any millage levied for purposes of bonded indebtedness and not including any millage levied for county or municipal purposes.

(9) 'State millage rate' means the state millage levy.

48-5A-2.

In each year the General Assembly shall appropriate to the Department of Revenue funds for forest land conservation use assistance grants to counties, municipalities, and county or independent school districts pursuant to Article VII, Section I, Paragraph III(f) of the

1 Constitution. The General Appropriations Act shall specify the amount appropriated
2 subject to the limitations of this chapter.

3 48-5A-3.

4 (a) Pursuant to the appropriation of funds as provided in Code Section 48-5A-2, such
5 grants shall be allotted to each county, municipality, and county or independent school
6 district in the state as provided in this Code section.

7 (b) The revenue reduction to each county, municipality, and county or independent school
8 district shall be calculated by subtracting the aggregate forest land conservation use value
9 of qualified properties from the aggregate forest land fair market value of qualified
10 properties for the applicable tax year and the resulting amount shall be multiplied by the
11 millage rate of the county, municipality, or county or independent school district.

12 (c)(1)(A) Immediately following the actual preparation of ad valorem property tax
13 bills, each county fiscal authority shall notify the Department of Revenue of the amount
14 of the reduction pursuant to the implementation of Article VII, Section I, Paragraph
15 III(f).

16 (B) If the forest land conservation use property is located in a county where forest land
17 conservation use value causes an ad valorem tax revenue reduction of 3 percent or less
18 pursuant to Article VII, Section I, Paragraph III(f), in each taxable year in which such
19 reduction occurs, the assistance grant to the county shall be in an amount equal to 50
20 percent of the amount of such reduction.

21 (C) If the forest land conservation use property is located in a county where forest land
22 conservation use value causes an ad valorem tax revenue reduction of more than 3
23 percent pursuant to Article VII, Section I, Paragraph III(f), in each taxable year in
24 which such reduction occurs, the assistance grants to the county shall be as follows:

25 (i) For the first 3 percent of such reduction amount, in an amount equal to 50 percent
26 of the amount of such reduction; and

27 (ii) For the remainder of such reduction amount, in an amount equal to 100 percent
28 of the amount of such remaining reduction amount.

29 (2)(A) Immediately following the actual preparation of ad valorem property tax bills,
30 each county or independent school district's fiscal authority shall notify the Department
31 of Revenue of the amount of the reduction pursuant to the implementation of Article
32 VII, Section I, Paragraph III(f).

33 (B) If the forest land conservation use property is located in a county or independent
34 school district where forest land conservation use value causes an ad valorem tax
35 revenue reduction of 3 percent or less pursuant to Article VII, Section I,
36 Paragraph III(f), in each taxable year in which such reduction occurs, the assistance

grant to the county or independent school district shall be in an amount equal to 50 percent of the amount of such reduction.

(C) If the forest land conservation use property is located in a county or independent school district where forest land conservation use value causes an ad valorem tax revenue reduction of more than 3 percent pursuant to Article VII, Section I, Paragraph III(f), in each taxable year in which such reduction occurs, the assistance grant to the county or independent school district shall be as follows:

(i) For the first 3 percent of such reduction amount, in an amount equal to 50 percent of the amount of such reduction; and

(ii) For the remainder of such reduction amount, in an amount equal to 100 percent of the amount of such remaining reduction amount.

(3)(A) Immediately following the actual preparation of ad valorem property tax bills, each municipality's fiscal authority shall notify the Department of Revenue of the amount of the reduction pursuant Article VII, Section I, Paragraph III(f).

(B) If the forest land conservation use property is located in a municipality where forest land conservation use value causes an ad valorem tax revenue reduction of 3 percent or less to Article VII, Section I, Paragraph III(f), in each taxable year in which such reduction occurs, the assistance grant to the municipality shall be in an amount equal to 50 percent of the amount of such reduction.

(C) If the forest land conservation use property is located in a municipality where forest land conservation use value causes an ad valorem tax revenue reduction of more than 3 percent pursuant to Article VII, Section I, Paragraph III(f), in each taxable year in which such reduction occurs, the assistance grant to the municipality shall be as follows:

(i) For the first 3 percent of such reduction amount, in an amount equal to 50 percent of the amount of such reduction; and

(ii) For the remainder of such reduction amount, in an amount equal to 100 percent of the amount of such remaining reduction amount.

48-5A-4.

The state revenue commissioner shall administer this chapter and shall adopt rules and regulations for the administration of this chapter, including specific instructions to local governments procedures."

SECTION 5.

This Act shall become effective on January 1, 2009, and shall be applicable to all taxable years beginning on or after January 1, 2009; provided, however, that this Act shall only

1 become effective on January 1, 2009, upon the ratification of a resolution at the November,
2 2008, state-wide general election, which resolution amends the Constitution so as to provide
3 for the special assessment and taxation of forest land conservation use property and for local
4 government assistance grants. If such resolution is not so ratified, this Act shall not become
5 effective and shall stand repealed in its entirety on January 1, 2009.

6 **SECTION 6.**

7 All laws and parts of laws in conflict with this Act are repealed.